

Arizona Department of Homeland Security (AZDOHS)
Equipment Disposition Guidance
(Capital Assets and Nonexpendable Property)
(State, Local, and Tribal Subgrantees)

The purpose of this guidance is to provide direction and instruction concerning the disposition of equipment (capital assets and nonexpendable property) purchased by State, Local, and Tribal subgrantees with funds awarded from federal homeland security grants.

This guidance is applicable to all homeland security grants awarded by the Arizona Department of Homeland Security. It is incumbent upon personnel involved in the administration of homeland security grants (including applicants) to be familiar with the disposition regulations of acquired equipment. This guidance is derived from the Arizona Department of Administration Surplus Property Reference Manual and 44 Code of Federal Regulation (CFR) Part 13, Subpart C. (http://www.access.gpo.gov/nara/cfr/waisidx_07/44cfrv1_07.html)

EQUIPMENT DISPOSITION

When original or replacement equipment acquired under a grant or subgrant is no longer needed for the original project or program or for other activities currently or previously supported by a Federal, State, County, Tribal or political subdivision agency; disposition of the equipment will be made as follows:

Less than \$5,000 - Equipment with a current per-unit fair market value of less than \$5,000

- a. Items of equipment with a current per-unit fair market value of less than \$5,000 may be sold or otherwise disposed of with no further obligation to the State awarding agency (AZDOHS) except submission of an updated Property Control Form.
- b. The subgrantee will provide to the State awarding agency (AZDOHS) a copy of an updated Property Control Form.

\$5,000 Or More - Equipment with a current per-unit fair market value of \$5,000 or more

AZDOHS APPROVAL REQUIRED

- a. Items of equipment with a current per-unit fair market value equal to or greater than \$5,000 may be retained or sold and the State awarding agency shall have a right to an amount calculated by multiplying the current market value or proceeds from the sale by the State awarding agency's share of the equipment.
- b. Notice of disposition of this category of equipment will be provided in writing (via Equipment Disposition Request Form) to the State awarding agency (AZDOHS) and placed in the file(s) associated with the respective grant(s) and open to inspection at all times.
- c. **The subgrantee will submit an Equipment Disposition Request Form for review and approval to AZDOHS at least 120 days prior to proposed disposition date. This request shall include the following:**
 - 1) A description of the equipment named for disposition and an updated Property Control Form.
 - 2) The date the named equipment is scheduled for disposition.
 - 3) The assessed fair market value per unit of the equipment and the supporting documentation for determining the fair market value.
 - 4) The subgrantee's procedures for equipment disposition including any proposed use of proceeds from the sale of named equipment.
- d. Following receipt of the equipment disposition request, AZDOHS will review and make a determination whether the proposed equipment disposition is approved or disapproved within 60 days of the receipt of the equipment disposition request.